

Mid Semester Test: August-2016

Principles and Practice of Management

**GUJARAT NATIONAL LAW UNIVERSITY**  
**GANDHINAGAR**  
 Course: Principles and Practice of Management  
 Semester-I (Batch: 2016-21)

**Mid Semester Test: August-2016**

Date: 11<sup>th</sup> August, 2016

Duration: 2 hours

Max. Marks: 30

**Instructions:**

- Read the questions properly and write the answers in the given answer book.
- The respective marks for each question are indicated in-line.
- Do not write anything on the question paper.
- Indicate correct question numbers in front of the answers.
- No questions or clarifications can be sought during the exam period, answer as it is, giving reason, if any.
- **Use of simple calculator is allowed.**

Q.1 Answer **any four** of the following questions [Max. words 20]**Marks**

(4x2=08)

- (a) Differentiate between efficiency and effectiveness.
- (b) Differentiate between leadership and management.
- (c) Define - Span of control.
- (d) Explain global awareness competency.
- (e) Define - Unity of command.

Q.2 Answer **any three** of the following questions [Max. words 55-60]

(3x4=12)

- (a) Discuss rewards and challenges of being a manager.
- (b) Discuss any two theories of motivation with suitable examples.
- (c) How can the contingency approach saying "it depends on the situation" be useful to managers? Discuss.
- (d) Explain different skills required at different level of managerial hierarchy with example.

Q.3 Answer the following questions:

(2x5=10)

A Firm is planning to increase its sales in market with two options:

- 1) By introducing new advertisement campaign with either rapid development or by thorough development and
- 2) By focusing on only sales promotion.

In both the cases, the outcomes in terms of market reaction will be Good, Moderate and Poor. The probability of G-M-P outcome in thorough development strategy is 30%, 40% and 30% respectively. Similarly in rapid development the same is 20%, 30% and 50% respectively. And in sales promotion, the probable outcome is 40%, 30% and 30% respectively. The expected total profit in all the three cases is as follows:

Outcome	Strategy		
	Advertisement Campaign by thorough development (Rs.)	Advertisement Campaign by rapid development (Rs.)	Only Sales promotion (Rs.)
Good	10,00,000	10,00,000	4,00,000

Outcome	Strategy		
	Advertisement Campaign by thorough development (Rs.)	Advertisement Campaign by rapid development (Rs.)	Only Sales promotion (Rs.)
Good	10,00,000	10,00,000	4,00,000
Moderate	50,000	50,000	20,000
Poor	2,000	2,000	6,000

Page 1 of 2

Mid Semester Test: August-2016

Principles and Practice of Management

The costs associated in all the three cases i.e. in advertisement campaign by thorough development, advertisement campaign by rapid development and only sales promotion strategy are Rs. 1.5 lac, Rs. 1 lac and Rs. 30,000 respectively.

- (i) Draw the decision tree representing given situations.
- (ii) Find the most valuable option.

\*\*\*\*

